Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of	)	
	)	
Federal-State Joint Board on	)	
Universal Service	)	CC Docket No. 96-45

COMMENTS OF THE AD HOC TELECOMMUNICATIONS USERS COMMITTEE

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SUMMARY

The Ad Hoc Telecommunications User Committee ("Ad Hoc" or "the Committee") advocates a universal service support mechanism for rural and non-rural carriers alike that is explicit, targeted, competitively neutral, and properly sized to support universal service and nothing more. The emergence of competition in rural and high cost areas, as encouraged by the Telecommunications Act of 1996, requires a universal service support mechanism that does not handicap the competitive race by reimbursing incumbent rural carriers for their inefficient investments.

The Federal-State Joint Board on Universal Service ("Joint Board"), in an August 21, 2001 *Public Notice*, requested comments on whether the definition of universal service should be expanded.[1] Ad Hoc opposes the addition of any services to the list of core services eligible for federal universal service support at this time. Expanding the definition of universal services beyond its primary purpose may in fact raise the price of basic services for all consumers.

The following comments show that current universal service programs, such as the Schools and Libraries program, have provided unprecedented public access to information services. In addition, favoring one technology or carrier over others would lead to inefficient investment decisions and may end up funding obsolete technologies. Therefore, the Joint Board should not

[1] *Federal-State Joint Board on Universal Service Seeks Comment on Review of the Definition of Universal Service*, CC Docket 96-45, Public Notice, FCC-01-J-1 (rel. August 21, 2001) ("Public Notice").

recommend that voice grade access be redefined, and should not recommend the addition of advanced services to the list of core services.

Ad Hoc, while sympathetic to the goals of providing soft dial tone, does not support the addition of soft dial tone to the list of core services. Instead, Ad Hoc urges the Commission to initiate a proceeding to study the feasibility and costs of requiring carriers to provide soft dial tone. If the Commission does adopt a Soft Dial Tone provision (within the auspices of universal service or not) it should have a beneficial impact upon the level of support necessary to fund the same level of Link-up and Lifeline services as exists today.

Finally, Ad Hoc opposes any efforts to include toll service or expanded area service in the definition of universal service. Ad Hoc reiterates its position that the Commission risks increasing the expense of the universal service program, and thus the cost of basic telecommunications for all consumers each time it contemplates expansion of the definition.

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COMMENTS

The Ad Hoc Telecommunications Users Committee ("Ad Hoc" or "the Committee") hereby submits its Comments in response to the Federal-State Joint Board's ("Joint Board") August 21, 2001 *Public Notice*[2] seeking comment on its review of the definition of Universal Service.

INTRODUCTION

Ad Hoc's members are among the nation's largest high-volume consumers of telecommunications services and facilities. The Committee is therefore committed to the development of regulatory rules and policies that promote the availability of high quality telecommunications services and facilities at reasonable prices. To that end, Ad Hoc has consistently supported universal service subsidies as long as those subsidies are properly sized, collected, and distributed in an economically efficient and pro-competitive manner.

The Federal Communications Commission recently asked the Joint Board to review the list of nine "core services" that are currently eligible for universal

[2] *Federal-State Joint Board on Universal Service Seeks Comment on Review of the Definition of Universal Service*, CC Docket 96-45, Public Notice, FCC-01-J-1 (rel. August 21, 2001) ("Public Notice").

service support.[3] The Joint Board is now seeking comments on "what services, if any, should be added to or removed," from the list of core services.[4] In particular, the Joint Board seeks comments on redefining voice grade access to a frequency range of 200 to 3,500 Hz; whether advanced, or high-speed services should be added to the list of core services; whether "soft dial tone" or "warm line" services should be included in the core services list; and whether intrastate or interstate toll services and expanded area service should be included in the core services list.[5]

Ad Hoc urges the Joint Board to refrain from recommending any modifications to the current list of core services. Expanding the definition of universal services beyond its primary purpose may in fact raise the price of basic services for all consumers. Current universal service programs, such as the Schools and Libraries program, have provided unprecedented public access to information services. These services continue to be "upgraded" as new technologies come to market and have been disseminated across all regions and economic strata. Ad Hoc also believes that any policy that singles out a particular technology (by revising the bandwidth requirement for voice grade access, or supporting DSL, for instance) for support, and thus infrastructure investment, would ultimately harm the dynamic nature of the information services market. Favoring one technology or carrier will lead to inefficient investment decisions and may end up funding what ultimiately turn out to be obsolete

[3] *Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, Order, 15 FCC Rcd 25257 (2000) ("Referral Order").
[4] Public Notice at 2.
[5] *Id*. at 3.

technologies. Therefore, the Joint Board should not recommend that voice grade access be redefined, and should not recommend the addition of advanced services to the list of core services. Finally, the Joint Board should not recommend that soft dial tone be included in the list of core services. Instead, Ad Hoc urges the Commission to initiate a proceeding to study the feasibility and costs of requiring carriers to provide soft dial tone. Ad Hoc's preliminary analysis indicates that the cost to carriers may be minimal, if not negative, and that the provision of soft dial tone may in fact lead to savings in the Link-up and Lifeline programs.

I. The Universal Service Definition Needs to Remain Tightly Focused

In its NPRM and Order Establishing the Joint Board in 1996[6], the Commission appropriately recognized that universal service policy in the post-1996 Telecommunications Act era is not entirely the same animal that it was under the Communications Act of 1934. For example, as that NPRM and Order discussed in detail, the Telecommunications Act contains explicit policies regarding "affordability" of services and the "comparability" of services offered in rural and urban areas. However, the Commission has also correctly recognized that incorporating these additional policy directives does not expand the primary purposes for which explicit universal service support is required for the general population and that those purposes remain limited to the support of high-cost areas (including rural and insular locations) and low-income customers.[7] Since

[6] *Federal-State Joint Board on Universal Service*, CC Docket 96-45, Notice of Proposed Rulemaking and Order Establishing Joint Board, 12 FCC Rcd 18092 (1996).
[7] *Id*. at 18101-18102.

its inception, the specific purpose of providing universal service support has been to assure universal connectivity to the public switched network.[8] The Commission should not expand the definition of core services to include service not essential for the public interest, necessity, and safety. Nor should the Commission develop policies that favor one technology or carrier over another.

The Notice does not justify (1) expanding the current definition of supported services at this time to include the additional facilities used to deliver advanced services or (2) revising the bandwidth requirement for voice grade access. There is no statutory basis for doing so and the dollar impact on the fund and other beneficiaries of support, both carriers and customers, is prohibitive. The FCC concluded in its *First Report and Order on Universal Service* that voice grade service, not high speed data transmission, is the "appropriate goal" of universal service because "supporting an overly expansive definition of core services could adversely affect all consumers by increasing the expense of the universal service program and, thus, increasing the basic cost of telecommunications for all."[9]

II. The Joint Board Should Not Recommend that the Commission Expand the List of Core Services or Revise the Bandwidth Requirement for Voice Grade Services.

Ad Hoc urges the Joint Board and the Commission to reject calls for expansion of the definition of universal service to support investment in advanced services. As the following Comments will show, consumers currently have access to advanced services, and thus the Internet, at public outlets.

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[8] *Id.* at 18096.

[9] *Federal-State Joint Board On Universal Service*, CC Docket No. 96-45, First Report and Order, 12 FCC Rcd at 8811-12 (rel. May 7, 1997) ("First Report and Order on Universal Service").

Furthermore, requiring carriers to make large investments in technologies that may become obsolete, such as "dialing up" to the Internet, would be inefficient. Ad Hoc refers to both the provision of high-speed services and the revision of the bandwidth requirement for "dial up" services as "advanced services" in the discussion that follows.

A. Advanced Services Do Not Meet the Statutory Standard For Services To Be Supported By The Universal Service Fund.

The statutory standards that govern whether a service should be eligible for Federal Universal Service support do not justify support for advanced services. The Telecommunications Act of 1996 lists the factors that the Commission and the Universal Service Joint Board must consider in order to include a service in the definition of eligible services. The Commission must consider the extent to which services:

(A) are essential to education, public health, or public safety;
(B) have, through the operation of market choices by customers, been subscribed to by a substantial majority of residential customers;
(C) are being deployed in public telecommunications networks by public telecommunication carriers; and
(D) are consistent with the public interest, convenience and necessity.[10]

The *Public Notice* provides no rationale or factual support showing that advanced services satisfy any of the above requirements.

[10] 47 U.S.C. § 254(c)(1).

B. The Provision of "Advanced Services," or Internet Access, to Individual Households Through the Universal Service Fund Does Not Fall Under the Four Definitional Criteria Considered in the 1996 Act.

The 1996 Act requires that "Access to advanced telecommunications and information services should be provided in all regions of the nation."[11] In addition, the 1996 Act states, with respect to advance services, that the "Commission shall establish competitively neutral rules . . . to enhance, to the extent technically feasible and economically reasonable, access to advanced telecommunications and information services for all public and non-profit elementary and secondary school classrooms, health care providers, and libraries . . ."[12] The Act does not contemplate the provision of advanced telecommunications and information services to each and every household.

Ad Hoc believes that the provision of advanced services to all households through the universal service fund is contrary to the criteria outlined in the 1996 Act. The provision of advanced services to all households is not essential to education, public health or public safety. This is particularly true given the apparent limited demand for such services and the wide public availability of this service at little or no cost to the consumer.

The Joint Board and the Commission must also consider the extent to which advanced services "have, through the operation of market choices by customers, been subscribed to by a substantial majority of residential

[11] 47 U.S.C. § 254(b)(2).

[12] 47 U.S.C. § 254(h)(2).

customers."[13] Advanced services do not meet this test. Even if a majority of residential consumers used "advanced services" of some kind (which is not currently the case)[14], the probability that the majority of customers would subscribe to the same technology is low. Some customers choose to access the Internet through dial-up, some through DSL, and others using cable modem technologies. In fact, a recent FCC report finds that ADSL high-speed lines make up 27.82% of the total high speed lines in service, coaxial cable lines makes up 50.32%, and "other" lines[15] make up 21.84% of total high speed lines in service nationwide.[16] Furthermore, the relative demand for any one technology related to advanced services will change over time as new services are introduced and prices fall or change relative to other services.

Demand for advanced services among residential consumers simply remains too low for the Joint Board to make a case for universal service support based on Section 254(c)(1) of the Communications Act. Recent remarks by the Secretary of Technology Policy at the Department of Commerce illustrate this point:

> a recent study by Robert Crandall and Chuck Jackson estimated that only 4 million consumers would be willing to pay $70 per month for an upgrade from 56.6 kb/s to 1.1 Mb/s, but 20 million would pay

[13] 47 U.S.C. § 254(c)(1).

[14] As of August 2000, 41.5% of U.S. households had Internet access. See, U.S. Department of Commerce, Economic and Statistics Administration, National Telecommunications and Information Administration, "Falling through the Net: Toward Digital Inclusion," October 2000 at 25 http://www.ntia.doc.gov/ntiahome/digitaldivide.

[15] Includes wireline technologies other than asymmetric digital subscriber line (ADSL), optical fiber to the subscriber's premises, satellite, and (terrestrial) fixed wireless systems.

[16] Industry Analysis Division, Common Carrier Bureau, *High-Speed Services for Internet Access: Subscribership as of December 31,2000*, at Table 6 (rel. August 9, 2001) http://www.fcc.gov/Bureaus/Common_Carrier/Reports/FCC-State_Link/IAD/hspd0801.pdf.

> $25 – suggests many businesses and consumers don't yet see the value proposition for investing in broadband. And many consumers who could afford it don't want to deal with the well-publicized hassles – the frequent truck rolls, hours on hold with tech support, lack of plug-and-play consumer-premises equipment – as carriers get better at deploying this still fairly new technology.[17]

Furthermore, it is not evident that there is necessarily a large demand for advanced services even among those customers that have computers in their homes. An FCC survey conducted in 2000 regarding Internet use among consumers with computers in their homes found that 30.8% of those without Internet access simply "don't want it" while 10.4% responded that they "can use [the Internet] elsewhere." For those households that had discontinued Internet access, the second leading reason was that they "can use [the Internet] anywhere" (12.8%).[18]

Interestingly, the same survey found that only 51% of households had computers as of August 2000. A policy that requires telecommunications users to support infrastructure investment in technologies that require computer ownership, when such ownership is not ubiquitous, is clearly off the mark. This is illustrated by a recent survey conducted by the Yankee Group that indicated that 93% of households *with* computers are connected to the Internet already.[19]

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[17] Remarks of Assistant Secretary of Technology Policy of the United States Department of Commerce, Bruce P. Mehlman, "Building Our Broadband Future," before the NECA-NARUC Broadband Deployment Conference, Arlington, VA, October 26, 2001.

[18] U.S. Department of Commerce, Economic and Statistics Administration, National Telecommunications and Information Administration, *Falling through the Net: Toward Digital Inclusion*, October 2000 at 26-27 http://www.ntia.doc.gov/ntiahome/digitaldivide.

[19] Yankee Group News Release, "Yankee Group Survey Shows 93% of PC Households are Accessing the Internet," October 29, 2001 http://www.yankeegroup.com/webfolder/yg21a.nsf/press/6ABA4CE8B17F3D2C85256AF00069A2.8A?OpenDocument.

C. Internet Access at Public libraries and Schools Provide an Excellent Alternative to the Provision of Advanced Services to Every Consumer's Household.

Ad Hoc firmly believes that the definitional criteria for universal service eligibility -- public interest, education, public health, and necessity[20] -- have been adequately addressed through the Schools and Library fund and Rural Health Care Fund. Consumers have ample public access to advanced information services. The Joint Board specifically asks commenters to address the "extent to which consumers may have access to [advanced services] in locales other than their own residences."[21] A brief review of available data shows, unequivocally, that consumers have ample access to information services.

As of September 2000, of the 16,090 public library outlets in the United States, 95.7% are connected in some way to the Internet and 94.5% offer Internet access to the public.[22] In addition, a 1998 survey found that 89% of public schools K-12 are connected to the Internet and 51% of instructional rooms (e.g. classrooms, computer labs, library media centers) in those schools had access to the Internet.[23] Of the libraries that provide public access to the Internet, there is an average of 8.3 workstations per library outlet. Currently, 25% of public library outlets now have two or fewer workstations as compared to one workstation in 1998, 50% of public library outlets now have four or fewer

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[20] 47 U.S.C. § 254(c)(1).

[21] Public Notice at 2.

[22] American Library Association Fact Sheet No. 26, September 2000 http://www.ala.org/library/fact26.html.

[23] *Id*.

workstations as compared to three in 1998 and 75% of public library outlets now have eight or fewer workstations as compared to four or fewer in 1998.[24]

The speed of connectivity for public access Internet services has also increased since 1998. As of September 2000, 36.2% of outlets have T1 (1.45 mbps) service as their maximum speed of connectivity as compared to 21.9% in 1998; 53.6% of outlets have greater than 56 kbps (direct connect) service as their maximum speed of connectivity as compared to 33.7% in 1998; and 35.4% of rural outlets have greater than 56kbps (direct connect) service as their maximum speed of connectivity as compared to 22.2% in 1998.[25]

Access to advanced services through public outlets is available across all income levels and geographic areas. In urban regions, 98.4% of libraries that serve communities with 20% of people living in poverty provide public access to the Internet; 98.3% of libraries that serve communities with between 20- and 40% of people living in poverty provide public access to the Internet; and 90.5% of libraries serving communities with more than 40% of people living in poverty provide public access to the Internet. In suburban regions, access rates are 97.1%, 100% and 100%, respectively. In rural regions, access rates are 91.5%, 93.5% and 100%, respectively. Across all regions and poverty levels, 94.5% of libraries provide public access to the Internet.[26]

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[24] John Carlo Bertot and Charles R. McClure, "Public Libraries and the Internet 2000: Summary Findings and Data Tables," submitted to the National Commission on Libraries and Information Science, NCLIS web release version, September 7, 2000, at 4 http://www.nclis.gov/statsurv/2000plo.pdf.

[25] *Id*.

[26] *Id*., "Connected Public Library Outlets that Provide Public Access to the Internet by Metropolitan Status and Poverty," at Figure 4.

The above data suggests that the schools and libraries program has been successful in the provision of Internet access to the public. Libraries and schools have deployed advanced services in a timely manner, adopted service upgrades as new technologies are available, and provided such capabilities to libraries serving diverse populations. Clearly, access to telecommunications and information services is widely available to consumers outside their own homes.

III. The Commission's Policy of Competitive Neutrality Will Be Difficult to Maintain if One or More "Advanced Services" are Added to the List of Core Services Eligible for Universal Service Support.

The adoption of one or more "advanced services" as core services to be supported by the universal service mechanism creates a host of competitive issues. Neither the Joint Board nor the Commission should favor one technology over another. Nor should the Joint Board or the Commission adopt a policy that may favor one carrier over another. In its *First Report and Order on Universal Service* the Commission established "competitive neutrality [as] an additional principle upon which [it bases] policies for the preservation and advancement of universal service."[27] Specifically, the Commission defined competitive neutrality as the following:

> Universal service support mechanisms and rules should be competitively neutral. In this context, competitive neutrality means that universal service support mechanisms and rules neither unfairly advantage nor disadvantage one provider over another, and neither unfairly favor nor disfavor one technology over another.[28]

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[27] First Report and Order on Universal Service at 8801.

The Commission would, no doubt, violate one or both of these principles of neutrality if it expands the list of core services to include advanced services.

First, it is highly unlikely that the Commission would ultimately adopt a policy to support availability of *all* services that fall under the "advanced" category, but instead would adopt a policy that supports one type of technology. If the Commission favors one technology, for example, DSL, as the supported service it may in fact harm some competitors and aid others. In addition, such support would tend to artificially determine investments in technologies going forward. Ad Hoc cautions the Commission and Joint Board not to adopt a particular advanced service to support. As the Commission itself has found, the best policy is to allow the marketplace to "direct the advancement of technology" and to "avoid limiting providers of universal service to modes of delivering that service that are obsolete or not cost effective."[29] FCC Chairman Powell recently stated, with respect to broadband deployment: "there are many questions that remain as to what services consumers will value, and to what degree they will be willing to subscribe. I am hesitant to let adoption rates drive government responses, for a developing market needs the cues provided by consumer free choice."[30]

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[28] *Id.*

[29] *Id.* at 8802.

[30] Remarks of FCC Chairman Michael K. Powell at the National Summit on Broadband Deployment, Washington, DC, October 25, 2001.

IV. Universal Service Support For Advanced Services Does Not Ensure Advanced Service Deployment To Rural And High Cost Areas.

Ad Hoc believes that increased competition, not a higher subsidy level, is needed to ensure the availability of reasonably priced, high quality and market responsive advanced services for rural and high cost areas. Ad Hoc has submitted comments with respect to this issue in response to a recent Rural Task Force ("RTF") recommendation to support investment in rural infrastructure that would enable 28.8 kbps access to the Internet.[31] Ad Hoc remains convinced that USF support of such investment may do more harm than good to rural America if it "bind[s] rural Americans to obsolete technology."[32] Rather than engage in industrial policy, uninformed by consumer choices in the marketplace or the state of technology, the Joint Board and the Commission should reject proposals to fund particular advanced services technologies through the universal service fund, and instead, allow encourage competitive markets to develop. Ad Hoc also agrees with other commenters in the RTF proceeding that "ultimately consumer demand, not regulatory fiat," will produce the desired expansion of advanced services to rural areas.[33]

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[31] Comments of the Ad Hoc Telecommunications Users Committee, CC Docket 96-45 (filed February 26, 2001) at 29.

[32] Comments of DigitalLouisinana.org, CC Docket 96-45 (filed November 3, 2000) at 4.

[33] Reply Comments of Competitive Universal Service Coalition, CC Docket 96-45 (filed November 30, 2000) at 20.

V. Soft Dial Tone Services Should Not Be Considered a "Core Service Issue."

The Joint Board seeks comments on whether "soft dial tone" or "warm line" services should be added to the list of core services eligible for universal service support.[34] While Ad Hoc is sympathetic to the goals of providing soft dial tone services to consumers, Ad Hoc believes that soft dial tone should not be included as a "core service" eligible for Universal Service support. Instead, Ad Hoc urges the Commission to initiate a study to determine the costs of providing soft dial tone and consider whether carriers should provide soft dial tone.

Ad Hoc supports the goal of providing interim telecommunications services that are essential to public health and safety. The Soft Dial Tone facilitates a transition between two customers (e.g. tenants moving in and out of apartments) and provides the ability to reach 911 services for the brief time that phone services may be in transition.

The State of Vermont adopted Continuous Emergency Access ("CEA"), a program analogous to the Soft Dial Tone service about which the Joint Board is currently seeking comments.[35] In 1999, the Vermont Public Service Board extended its CEA requirement to CLECS. The Vermont Public Service Board found that the adoption of such a policy enabled the carrier to avoid costs of disconnection and reconnection that would result in "net savings" to the

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[34] Public Notice at 3.

[35] *Investigation of Proposed Vermont Price Regulation Plan and Proposed Interim Incentive Regulation Plan of New England Telephone and Telegraph Company; and Petition of Department of Public Service for an Investigation of New England Telephone and Telegraph Company Rates,* Docket No. 5700/5702, Order, (rel. October 5, 1994) at 155-156.

carriers.[36] The Board concluded that: "in the absence of evidence to the contrary, it is reasonable to conclude at this time that the costs of providing CEA are small or perhaps even negative," and that CEA would be provided by the last facilities based carrier that "actually controls the loop" at the time the retail service is disconnected.[37]

A carrier may in fact find that leaving the connection to the central business office in place may be more efficient in the long run; the carrier would reduce costs related to service connects and disconnects. Such a policy may in fact lead to savings in the cost of providing Link-up and Lifeline services. A witness for the Vermont Department of Public Service regarding CEA (or "soft dial tone") described the provisioning of the service in the following manner:

> Upon termination of local basic service, CEA is implemented by a simple programming change to the class of service assigned to that line in the local exchange carrier switch. This change of class of service to LIDT can de done at the host switch or remotely from a maintenance control office or a remote switch module office. No technician needs be deployed in the field to effect the change in class of service. The line identification number or physical address of the wireline facility is left in place. The physical line connections from the vertical main distribution frame to the cross connection to the horizontal main distribution frame (mainframe) to the line equipment remains in place.[38]

If the Commission does adopt a Soft Dial Tone provision (within the auspices of universal service or not) it should have a beneficial impact upon the level of support necessary to fund the same level of Link-up service as exists today.

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[36] *Investigation into New England Telephone and Telegraph Company's (NET's) tariff filing re: Open Network Architecture, including the unbundling of NET's network, expanded interconnection, and intelligence networks in re: Phase II, Module One*, Docket No. 5713, Order, (rel. February 4, 1999) at 91.

[37] *Id.* at 126-127.

Ad Hoc, nevertheless, cautions the Joint Board and the Commission against adoption of a policy to provide Soft Dial Tone as a permanent service option funded by the USF. The Link-up and Lifeline mechanisms already provide customers in need with low use services; these customers currently have the ability to utilize emergency telephone services, as well as local services, at nominal cost. In fact, adoption of Soft Dial Tone as a core service may hinder the original goals of universal service. Commission policy must be to keep subscribers on the network, with the ability to contact essential services beyond 911 emergency services.

VI. Ad Hoc Opposes Any Efforts to Include Toll Service or Expanded Area Service in the Definition of Universal Service.

Ad Hoc reiterates its support for a limited definition of universal service. The Commission risks increasing the expense of the universal service program and thus the cost of basic telecommunications for all consumers each time it contemplates expansion of the definition. In its *Twelfth Report and Order*[39], the Commission declined to include toll services in the definition of Universal Service. The Commission concluded that other measures undertaken in the Order would address the burden of toll charges that is an issue with respect to tribal lands. Furthermore, the Commission found the "the provision of federal support to offset the cost of intrastate toll service would expand upon the

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[38] Direct Testimony of William Shapiro (Telecommunications Planner for the Vermont Department of Public Service) before the Vermont Department of Public Service in Docket No. 5713 (April 8, 1999) at Section III http://www.state.vt.us/psd/tele/ceatestimony.htm.

[39] *Federal-State Joint Board on Universal Service; Promoting Deployment and Subscribership in Unserved and Underserved Areas, Including Tribal and Insular Areas*, CC Docket No. 96-45, Twelfth Report and Order, Memorandum Opinion and Order, and Further Notice of Proposed Rulemaking, 15 FCC Rcd 12208, 12238 (2000) ("Twelfth Report and Order").

definition of supported services in Section 254(c) of the Act, and would raise issues of competitive neutrality to the extent that interexchange carriers would not be eligible to receive such enhance Lifeline support."[40] Furthermore, neither the Joint Board, in its *Public Notice*, nor the Commission, in its *Referral Order*[41], provides evidence that the enhanced Lifeline support adopted in the *Twelfth Report and Order* has not been effective in addressing this problem.[42]

CONCLUSION

For the reasons discussed above, Ad Hoc urges the Joint Board to refrain from recommending any modifications to the current list of core services. Ad Hoc believes that the Schools and Libraries program has provided ample access to information services for all consumers and any expansion of the list of core services may raise the cost of basic telecommunications services. In addition, it is not evident that the addition of advanced services to the list of core services will ensure advanced service deployment to rural and high cost areas. Finally, Ad Hoc opposes the inclusion of both soft dial tone and toll services in the list of cores services. The Commission should seek to maintain a tightly focused definition of universal service that focuses on assuring universal connectivity to the public switched network.

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[40] *Id*.
[41] See Referral Order.
[42] *Id*. at 12237-12238.

Respectfully submitted,

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Certificate of Service

I, Kristin J. Gosselin, hereby certify that a true and correct copy of the preceding Comments of The Ad Hoc Telecommunications Users Committee was served this November 5, 2001 via the FCC's Electronic Comment Filing System.

Kristin J. Gosslein